

ASSEMBLY BILL

No. 2650

Introduced by Assembly Member Laird

February 24, 2006

An act to amend Sections 3, 5, 6, 7, 7.5, 11, 14, and 15 of the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941), relating to the Monterey Peninsula Airport District.

LEGISLATIVE COUNSEL'S DIGEST

AB 2650, as introduced, Laird. Monterey Peninsula Airport District.

(1) Existing law, the Monterey Peninsula Airport District Act, establishes the Monterey Peninsula Airport District and prescribes its powers and purposes. The act authorizes the district to incur indebtedness and to issue bonds pursuant to specified provisions of law. Under the act, the total amount of outstanding bonds issued under these provisions may not exceed \$15,000,000 at any one time.

This bill would delete that limitation.

The bill would authorize the district to incur indebtedness using securitized limited obligation notes pursuant to specified existing law.

(2) The act authorizes the district to maintain a police department, to adopt ordinances, resolutions, and regulations to protect the peace, health, and safety of the public in an airport of the district, as specified, and to prescribe penalties for the violation of those ordinances, resolutions, and regulations. The act makes a violation of any ordinance, resolution, or regulation a misdemeanor. The act specifies that the police powers granted to the district by these provisions are solely for the purposes of carrying out these provisions.

This bill would delete the reference to the district's police powers, and specify that the district's authority to adopt ordinances,

resolutions, and regulations is for the protection of the public's peace, health, or safety in an airport of the district. The bill would make any violation of an ordinance, resolution, or regulation a misdemeanor unless, by ordinance, the district designates the violation as an infraction.

(4) The act requires the district to conduct a district election in the manner provided by law for general municipal elections and general laws, as applicable.

This bill would require the district to conduct a district election in the manner provided by the Uniform District Election Law. By establishing duties on county election officials in connection with district elections, the bill would impose a state-mandated local program.

(5) The act, with exceptions, requires the district to undertake, by ordinance, certain actions, including actions approving the expenditure of more than \$10,000, the acquisition or disposition of real property, and the granting of any franchise. The act requires all ordinances to be signed by the chairperson of the board of directors and to be attested to by the secretary. The act requires all members of the board of directors who are present at any meeting to vote with regard to a proposed ordinance or resolution that is pending before the board.

This bill would delete that requirement relative to those described district actions, and would require all ordinances to be signed by the chairperson or acting chairperson of the board of directors and attested to by the secretary or the acting secretary. The bill would delete the voting requirement.

(6) The act provides that the members of the board of directors, the secretary of the board, a general manager, an auditor, and district counsel are the officers of the district.

This bill would include one or more assistant managers among those district officers.

(7) The act authorizes the board of directors to grant to each of its members compensation in an amount not to exceed \$100 for attendance at each regular or special meeting of the board held within the district. The act prohibits each director from receiving compensation for more than 4 meetings in any calendar month.

This bill, instead, would authorize the board of directors to grant that amount of compensation to each director for each regular or special meeting of the board attended, or for each day's service

rendered as a director at the request of the board, and would prohibit each director from receiving compensation for more than 4 days in any calendar month.

(8) The act requires a vacancy on the board of directors to be filled by appointment, and requires a successor to be elected for the unexpired term of his predecessor at the next general election.

This bill would require a vacancy to be filled pursuant to a specified provision of the Government Code.

(9) The act requires the district auditor to draw warrants to pay demands made against the district if the demands have been approved by at least 3 members of the board of directors, and provides for the payment of those demands from depositories designated by the district for the custody of district funds.

This bill would revise those provisions to also apply to the payment of demands made against the district in the form of checks, electronic fund transfer authorizations, or other specified means, and would exempt the payment of certain claims or demands from approval by one or more members of the board of directors.

By establishing various requirements on the district, the bill would impose a state-mandated local program.

(10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3 of the Monterey Peninsula Airport
- 2 District Act (Chapter 52 of the Statutes of 1941) is amended to
- 3 read:
- 4 Sec. 3. Corporate Powers. The Monterey Peninsula Airport
- 5 District is hereby declared to be, and established as, a body

1 corporate and politic, and, in addition to other powers herein
2 granted, shall have and is hereby granted *all of* the following
3 powers,~~namely~~:

4 (a) Perpetual Succession. To have perpetual succession.

5 (b) Lawsuits. To sue and be sued in the name of ~~said the~~
6 district in all actions and proceedings in all courts and tribunals
7 of competent jurisdiction.

8 (c) Seal. To adopt a seal and alter it at pleasure.

9 (d) Property. To take by grant, purchase, gift, devise or lease,
10 hold, use, enjoy, and to lease or dispose of, real or personal
11 property of every kind within or ~~without~~ *outside* the district
12 necessary to the full exercise of its power.

13 (e) Improvements. To acquire or contract to acquire lands,
14 rights-of-way, easements, privileges and property of every kind,
15 and construct, maintain, and operate any and all works or
16 improvements within or ~~without~~ *outside* the district necessary or
17 proper to carry out any of the objects or purposes of this act, and
18 to complete, extend, add to, repair, or otherwise improve, any
19 works or improvements acquired by ~~it as herein authorized the~~
20 *district in accordance with this act*.

21 (f) Eminent Domain. To exercise the right of eminent domain
22 to take any property necessary to carry out any of the objects or
23 purposes of this act.

24 (g) Indebtedness.

25 (1) To incur indebtedness and to issue bonds pursuant to ~~bond~~
26 ~~provisions of the Community Services District Law, Chapter 4~~
27 ~~(commencing with Section 61650) of Part 5 of Division 3 of Title~~
28 ~~6 Section 61126 of the Government Code or.~~

29 (2) ~~To incur indebtedness and to issue bonds pursuant to the~~
30 ~~bond provisions of the Revenue Bond Law of 1941, Chapter~~
31 ~~(Chapter 6 (commencing with Section 54300) of Part 1 of~~
32 ~~Division 2 of Title 5 of the Government Code Code), or both,~~
33 ~~except that the total amount of outstanding bonds issued under~~
34 ~~this paragraph shall not exceed fifteen million dollars~~
35 ~~(\$15,000,000) at any one time.~~

36 (2)

37 (3) To incur indebtedness and to issue negotiable promissory
38 notes pursuant to a resolution adopted by vote of a majority of
39 the members of the district's board of directors. The amount of
40 indebtedness under this paragraph shall not exceed one million

1 dollars (\$1,000,000) and shall be repaid within 10 years from the
2 date on which it is incurred.

3 (4) *To incur indebtedness using securitized limited obligation*
4 *notes pursuant to Article 7.4 (commencing with Section 53835)*
5 *of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government*
6 *Code.*

7 ~~(3)~~

8 (5) To borrow money from the United States ~~of America~~ or
9 any federal agency or department for the acquisition or
10 improvement of land for district purposes. The district may
11 borrow this money pursuant to a resolution adopted by vote of a
12 majority of the members of the district's board of directors. The
13 resolution shall specify the particular project being undertaken
14 and the amount, term, and method of repayment of the loan.
15 When received, the money shall be deposited in a special fund
16 and spent only for the purposes for which the loan was approved.
17 If a surplus remains after the completion of the project, the
18 surplus shall be applied to repaying the loan.

19 ~~(4)~~

20 (6) Notwithstanding any other provision of law, the maximum
21 rate of interest on indebtedness issued pursuant to this
22 subdivision shall not exceed the rate prescribed by Article 7
23 (commencing with Section 53530) of Chapter 3 of Part 1 of
24 Division 2 of Title 5 of the Government Code. The interest may
25 be fixed or variable and may be simple or compound. The
26 interest shall be payable at the time or times determined by the
27 district.

28 (h) Taxes. To cause taxes to be levied and collected for the
29 purpose of paying any obligation of the district ~~in the manner~~
30 ~~herein provided~~ *in accordance with this act.*

31 (i) Exercise of Powers—Contracts. To make contracts, and to
32 employ persons and labor, and to do all acts necessary for the full
33 exercise of all powers vested in ~~said the~~ the district, or in any of the
34 officers ~~thereof of the district~~, by this act.

35 (j) Disposal of Property. To lease, sell, or dispose of any
36 property ~~(or, or any interest therein) in property~~, acquired in fee,
37 or otherwise, whenever in the judgment of ~~said the~~ the board of
38 directors ~~said the~~ the property, or any interest ~~therein~~ or part ~~thereof~~,
39 *of the property*, is no longer required for the purposes of ~~said the~~
40 the district, or may be leased for any purpose without interfering

1 with the use of the ~~same~~ *property* for the purposes of ~~said the~~
2 district, and to pay any compensation received ~~therefor~~ *for the*
3 *property* into the general fund of ~~said the~~ district and use the
4 ~~same compensation~~ for the purposes of this act.

5 (k) Operation and Concession Agreements. To make contracts
6 for the operation; or ~~operation~~ maintenance; of any airport of ~~said~~
7 *the* district, or for any concession thereupon necessary or
8 convenient ~~thereto~~ *to the district*.

9 (l) (1) Police Powers of District. To equip and maintain a
10 police department; to adopt ordinances ~~and~~, resolutions, and
11 ~~make~~ regulations for the protection of the public peace, health, or
12 safety, in or upon any airport of the district, or in or upon any
13 approach ~~thereto~~ *to the airport*, owned or controlled by the
14 district and to prescribe penalties for the violation ~~thereof~~;
15 ~~provided, that the police powers of said district, hereby granted,~~
16 ~~shall be limited strictly to the provisions of the subsection of~~
17 ~~those ordinances, resolutions, or regulations.~~

18 ~~Violation~~

19 (2) *Violation* of any ~~such~~ ordinance, resolution, or regulation
20 shall constitute a misdemeanor, *unless, by ordinance, the district*
21 *designates the violation as an infraction.*

22 (m) General Powers. To possess and exercise all powers
23 necessary or appropriate to a public airport district ~~which that~~ are
24 not prohibited by the *California* Constitution, including all
25 powers granted by, or ~~which that~~ may be hereafter granted by,
26 any general law of the state to any public airport district ~~therein~~;
27 and all powers incidental to, and necessary or convenient in
28 connection with, the exercise of the powers generally or
29 specifically granted to the district by ~~the provisions of~~ this act.

30 SEC. 2. Section 5 of the Monterey Peninsula Airport District
31 Act (Chapter 52 of the Statutes of 1941) is amended to read:

32 Sec. 5. General District Elections. A general district election
33 shall be held ~~therein~~ *in the district* on the first Tuesday after the
34 first Monday in November in each even-numbered year. At each
35 ~~such~~ *district* election, members of the board of directors equal in
36 number to the members whose terms on ~~said the~~ board are
37 expiring ~~thereat~~, and upon the qualification of their successors,
38 shall be elected for the term of four years each and until each of
39 their successors have been elected and have qualified for ~~such~~
40 office. All ~~such~~ *district* elections shall be noticed, held, the

1 ~~election~~ returns—thereof canvassed, and the *election* results
2 thereof declared in the manner prescribed by law for general
3 municipal elections in general law cities and by the general laws
4 so far as applicable; provided, however, that the powers and
5 duties vested in governing bodies and city clerks, respectively, of
6 general law cities, shall be vested in the board of directors and
7 secretary thereof of the district.

8 At least 10 days prior to the date that candidates may be
9 nominated for the office of director, the board shall publish in a
10 newspaper of general circulation, which is circulated in the
11 district, a notice stating the manner in which candidates may be
12 nominated, the last date on which nominations for director will
13 be accepted, and that, if not more than one person is nominated
14 for each open office of director, directors will be appointed by
15 the board of supervisors pursuant to this section.

16 If, on the 54th day prior to the day fixed for the district general
17 election, only one person has been nominated for each office of
18 the board of directors to be filled at that election, or no one has
19 been nominated for such office, and if on the 44th day prior to
20 the day fixed for the election, a petition signed by 5 percent of
21 the qualified electors in the district, requesting that the district
22 general election be held, has not been presented to the board of
23 directors of the district, the board of directors shall by resolution
24 entered in its minutes order that an election shall not be held and
25 shall immediately request that the Board of Supervisors of the
26 County of Monterey, at a regular or special meeting held prior to
27 the day fixed for the election, appoint, and the board of
28 supervisors shall thereupon appoint, to the office or offices the
29 person or persons, if any, who have been nominated. If no person
30 has been nominated for any office, the board of supervisors shall
31 appoint any qualified person to the office prior to the date when
32 the election would have been held. The person appointed shall
33 qualify and take office and serve exactly as if elected at a district
34 general election.

35 In such instances, notices shall be posted in three public places
36 in the district at least 10 days before the date fixed for the
37 election, which notices shall state that no election is to be held
38 and that the board of supervisors will appoint or has appointed a
39 person or persons to serve for the ensuing term on the board of
40 directors. *the Uniform District Election Law (Part 4*

1 (*commencing with Section 10500*) of Division 10 of the Elections
2 Code).

3 SEC. 3. Section 6 of the Monterey Peninsula Airport District
4 Act (Chapter 52 of the Statutes of 1941) is amended to read:

5 Sec. 6. Legislation.

6 (a) (1) The board of directors shall act in legislative matters
7 only by ordinance or resolution. Other actions of the board of
8 directors, unless otherwise provided by this act, may be ~~taken~~
9 *undertaken* by resolution, motion, or order.

10 The

11 (2) *The* votes shall be counted upon the passage of all
12 ordinances and resolutions, and entered upon the record of the
13 proceedings of the board of directors. Upon the request of any
14 member of the board of directors, the vote on any matter shall be
15 recorded. ~~All members present at any meeting shall vote.~~

16 No

17 (3) *No* ordinance or resolution shall be passed without
18 receiving the votes of at least three members of the board of
19 directors.

20 (b) (1) Each ordinance shall be headed by a brief title, which
21 shall indicate its purpose.

22 The

23 (2) *The* ordaining clause of all ordinances adopted by the
24 board of directors shall be, "The Board of Directors of *the*
25 Monterey Peninsula Airport District do ordain as follows:". The
26 ordaining clause of all ordinances passed by initiative shall be,
27 "The People of the Monterey Peninsula Airport District do ordain
28 as follows:".

29 (c) (1) No ordinance shall be passed by the board of directors
30 until at least five days after its introduction or until publication at
31 least once in ~~the official~~ *a newspaper of general circulation*
32 *within* the district at least three days before its adoption. ~~When~~

33 (2) *When* an ordinance is amended before its final adoption,
34 and after ~~it's~~ *its* publication, it shall be republished in full as
35 amended at least one day before its adoption as amended, ~~except~~
36 ~~that, where.~~

37 (3) *Notwithstanding any other provision of this act*, if the
38 amendment is only for the correction of clerical errors or
39 omissions of form, the ordinance need not be given a first
40 reading or a republication as corrected.

(d) Except as otherwise provided by law, ~~no action providing for any expenditure exceeding ten thousand dollars (\$10,000); the acquisition or disposition of real property or any interest therein (other than the renting, leasing or hiring of real property on a month-to-month basis or for a term of one year or less); the levying of any tax or assessment; the granting of any franchise; or the imposing of any penalty; shall be taken except~~ undertaken by ordinance.

(e) (1) No ordinance shall be amended or repealed except by ordinance. No ordinance shall be amended by reference to its title only.

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(2) All ordinances shall be signed by the chairperson *or acting chairperson* of the board of directors and attested *to* by the secretary *or acting secretary*.

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(3) All ordinances shall take effect 30 days after final passage and approval, except that any ordinance determined and declared by the board of directors to be necessary for the immediate preservation of the public peace, health, or safety; of the district shall take effect immediately upon final passage, and a statement of facts constituting the urgency shall be set forth in the ordinance.

SEC. 4. Section 7 of the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941) is amended to read:

Sec. 7. Officers. ~~The officers of the district shall comprise the~~ The members of the board of directors, the secretary of the board, a general manager, ~~an assistant manager~~ *one or more assistant managers*, an auditor, and district counsel *are the officers of the district*. No member of the board of directors shall be qualified for election or appointment as a member unless he or she has been a registered voter of the district for at least 30 days immediately preceding the deadline for filing nomination documents. Each member of the board of directors shall reside in the district during his or her incumbency. The board of directors shall, by ordinance, prescribe the powers, duties, and compensation; ~~of all the officers, except where the same unless those powers, duties, and compensation are prescribed by the provisions of this act and in.~~ In those cases, *the board may, by*

1 ordinance, prescribe additional powers and duties for any officer
2 consistent with ~~the provisions of~~ this act.

3 SEC. 5. Section 7.5 of the Monterey Peninsula Airport
4 District Act (Chapter 52 of the Statutes of 1941) is amended to
5 read:

6 Sec. 7.5. Compensation. ~~Each~~

7 (a) *Each* member of the board of directors shall receive
8 compensation in an amount not to exceed the amount set forth in
9 Section 22407 of the Public Utilities Code for ~~attendance at each~~
10 regular or special meeting of the board ~~held within the district~~
11 *attended or each day's service rendered as a director at the*
12 *request of the board*, which amount shall be fixed by the board
13 from time to time. ~~However,~~

14 (b) *Notwithstanding subdivision (a)*, no director shall receive
15 compensation for more than four ~~meetings~~ *days* in any calendar
16 month. ~~Each~~

17 (c) *Each* director shall also be allowed, with the approval of
18 the board, all travel and other expenses necessarily incurred by
19 the member in the actual performance of the member's duties.

20 SEC. 6. Section 11 of the Monterey Peninsula Airport District
21 Act (Chapter 52 of the Statutes of 1941) is amended to read:

22 Sec. 11. Vacancies. ~~A~~

23 (a) A vacancy on the board of directors shall be filled ~~by~~
24 ~~appointment of said board, such appointee to hold office until the~~
25 ~~next general district election and until his successor is elected~~
26 ~~and qualified. Such successor shall be elected for the unexpired~~
27 ~~term of his predecessor at the general district election next~~
28 ~~succeeding such appointment in the manner set forth in Article 2~~
29 ~~(commencing with Section 1770) of Chapter 4 of Division 4 of~~
30 *Title 1 of the Government Code.*

31 If

32 (b) ~~If any officer or employee of the district shall die, or absent~~
33 ~~himself, member of the board of directors dies, or is absent from~~
34 the district for more than 60 days consecutively without
35 permission of the board of directors, or for ~~said that~~ period ~~shall~~
36 ~~willfully fail or refuse willfully fails or refuses~~ to perform the
37 duties of his *or her* office, though able so to do, or ~~shall fail fails~~
38 to qualify, or ~~shall resign resigns~~, or ~~be~~ is adjudged insane; or
39 incompetent, or *is* convicted of a felony, his *or her* office shall
40 ~~thereupon~~ become vacant.

SEC. 7. Section 14 of the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941) is amended to read:

Sec. 14. Depositories. The board shall designate depositories for the custody of the funds of the district. A depository shall give security sufficient to secure the district against possible loss, and shall pay the warrants, *checks, electronic fund transfer authorizations, and other instructions for payment prepared by* the auditor for demands against the district under ~~such rules as~~ *that* the board may prescribe.

SEC. 8. Section 15 of the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941) is amended to read:

Sec. 15. Auditor; Duties and Payment of Warrants. ~~The~~

(a) *The* auditor shall install and maintain a system of auditing and accounting ~~which that~~ *that* shall competently and at all times show the financial condition of the district. ~~The~~

(b) *The* auditor shall ~~draw~~ *prepare* warrants, *checks, electronic fund transfer authorizations, and other instructions for payment* to pay demands made against the district if the demands have been approved by at least three directors.

(c) *Notwithstanding subdivision (b), warrants, checks, electronic fund transfer authorizations, or other forms for payment of claims or demands approved by the auditor in accordance with a budget approved by the board of directors need not be approved by one or more members of the board of directors prior to payment.*

SEC. 9. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, those costs are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those

1 costs shall be made pursuant to Part 7 (commencing with Section
2 17500) of Division 4 of Title 2 of the Government Code.

O